

Corporate Social Responsibility

In order to develop in a sustainable way, we intend to actively fulfill our corporate responsibilities to society from six standpoints: 1) creation of new customer value, 2) improving employee job satisfaction, 3) legal compliance, 4) corporate governance, 5) concern for the environment, and 6) contribution to society. Below is an explanation of our policies and achievements regarding environmental preservation and contributions to society. (For details, see "Nichirei CSR Report 2009.")

Supplying Safe and Reliable Products

In order to deliver stable supplies of safe and reliable food products, the Nichirei Group has established a global procurement network with reliable partners and formed quality control systems based on cultivation management, agricultural chemicals management, and trace back system management, etc.

Safety and Reliability in Overseas Ingredient Procurement

Ingredients used in frozen vegetables produced in China are grown by farms operated directly by or under contract with production plants selected according to Nichirei's Group-wide cultivation management standards. A field monitor from the factory makes regular visits to the farms where he inspects, manages, and gives guidance. In addition, specialized staff from Nichirei Foods' China office regularly check farms and control data to increase the thoroughness of our management system.

Agricultural chemicals are controlled very strictly, from selection and purchase to storage and application. Production plants prepare lists of agricultural chemicals to apply based on Japanese standards for usage of such chemicals, and Nichirei Foods' China office and the Nichirei Quality Assurance Division carefully check these lists. The production plants then purchase the chemicals from pre-designated manufacturers or suppliers.



Application of chemicals is performed under the guidance and supervision of the factory's field monitor.

Nichirei has also created a "trace back system," whereby we print a code on each product package that allows us to trace back every process from cultivation of ingredients through final processing. Should a problem arise, this system enables us to determine the cause and prevent damage from occurring or stop it from spreading.

Quality Control of Premium Ingredients

Both in Japan and overseas, Nichirei Fresh Inc. develops, procures, and supplies "premium ingredients," i.e. valuable merchandise that is easy on consumers and the environment, while always aiming for freshness, good taste, safety, reliability, good health, and environmental responsibility. We believe that concern for safety and reliability are the most important factors that make our products "premium ingredients" or "valuable merchandise." We define these qualities in ways that satisfy our customers, create process standards in line with those definitions, confirm that our systems meet those standards, monitor production systems, and implement traceability mechanisms that allow us to trace products' history and eliminate substandard goods.



Quality Assurance

In order to deliver safe and reliable merchandise, Nichirei Group operating companies carry out quality assurance activities in line with the Group's basic quality assurance policies and Quality Control Standards, and according to the particular products and services offered by each operating company.

Quality assurance activities are assessed from a management standpoint through the quality assurance committees of the entire Group and of each operating company as part of our ongoing effort to improve our quality assurance systems. The committees share information about points that need improvement, and opinions and requests from customers, etc.

Environmental Preservation

As a company that deals in food, which is greatly affected by climate changes, the Nichirei Group is working on reducing carbon dioxide generation throughout the supply chain and as a result of the activities of our customers and employees.

Working to Reduce CO₂ Emissions

In order to reduce CO₂ generation in distribution, we have been reviewing distribution flows and proposing and implementing new solutions. In February 2009, we were awarded by Japan's Ministry of Land, Infrastructure, Transport and Tourism for being among the best supporters of eco-ship modal shift projects in recognition of shared deliveries of frozen foods between the Kyushu and Kanto regions by Logistics Planner Inc. (part of Nichirei Logistics Group) and Nichirei Foods Inc.

As a way of reducing CO₂ emissions related to our products, Nichirei Foods has been reducing plastic usage by making packages lighter and more compact and by introducing more eco-friendly materials, while paying close attention to the maintenance of product quality.

In addition to introducing photovoltaic-powered facilities at factories and refrigerated warehouses, etc., we have been purchasing "green power certificates"* for our offices. In the fiscal year ended March 2009, Nichirei Fresh purchased certificates covering the equivalent of some 4,000 kWh of biomass-generated electricity that was used to power the venue for a seminar focusing on food, environmental issues, and Nichirei's efforts to develop eco-friendly "premium ingredients" and protect natural resources. Also, in January 2008, Nichirei Biosciences Inc. introduced a system of measuring electric power consumption as a way of visualizing energy usage. As a result, the company can now see clearly how much power is being used by each area of its development center.

*Green power certificates: a mechanism for offsetting the use of non-renewable power by companies that are located far from natural power generation facilities by trading in certificates that represent the added environmental value of CO₂ reductions achieved by generating power from natural, renewable sources.

Social Contributions in Keeping with Nichirei's Corporate Character

As a business concerned with food and health, the Nichirei Group promotes forms of social contribution in which our employees participate, both through our business activities and in fields outside of our business activities but broadly related to food, health, or sports. Our holding company and operating companies conduct educational activities related to food or distribution, contribute to local communities, and engage in environmental protection activities, etc. At quarterly meetings of the Group's Social Contribution Committee, Group companies exchange information about policy implementation and make use of the information in planning the next year's activities.

Food Education

Nichirei Foods Inc. promotes food education by participating in educational fairs sponsored by local communities. For example, at Osaka Food Education Festa 2008, sponsored by the Osaka prefectural government, Nichirei Foods participated along with 18 other food-related companies in the "Healthy Osaka 21 Foods Education Promotion Business Association." We demonstrated our unique frozen food production technology, using warm "Honkaku-itame Cha-han (Authentic Fried Rice)" and snow dry ice, allowing a large number of people to experience frozen food production and how food changes temperature around the time of freezing.

Also, at Nichirei Foods' six directly operated factories in Japan, we offer educational factory tours for elementary and junior high school students from the surrounding communities. In addition to an introduction to Nichirei Foods' business and experiential components including a walk-through tour of the factory and an opportunity to feel the freezing temperatures inside a frozen warehouse, each facility takes advantage of its employees' creativity to devise its own unique tour program. In the fiscal year ended March 2009, we conducted 55 "Kids' Tour - Experience!" factory tours.

